MEMORANDUM OF COOPERATION BETWEEN

THE DEPARTMENT OF TRANSPORTATION OF THE UNITED STATES OF AMERICA

AND

THE DEPARTMENT OF COMMUNICATIONS OF THE REPUBLIC OF INDONESIA

CONCERNING COOPERATION IN THE FIELD OF TRANSPORTATION

The Department of Transportation of the United States of America and the Department of Communications of the Republic of Indonesia (hereinafter referred to as "the Participants");

Recognizing their common interest in promoting, encouraging and advancing safe, economical, efficient, and environmentally sound transportation systems; and recognizing the Agreement between the Government of the Republic of Indonesia and the Government of the United States of America for Cooperation in Scientific Research and Technological Development of January 1992, as extended,

Intend to cooperate in transportation matters as follows:

Article 1

OBJECTIVES

The Participants intend to cooperate in transportation matters on the basis of equality, reciprocity and mutual benefit.

AREAS OF COOPERATION

The Participants intend that the scientific and technical cooperation envisioned in this

Memorandum may include activities in the following areas:

- (a) Land transportation;
- (b) Water transportation, including inland waterways;
- (c) Intermodal transportation;
- (d) Maritime, land and air transport safety;
- (e) Environment;
- (f) Transport planning and regulation;
- (g) Transportation study and development;
- (h) Transportation for the elderly and disabled;
- (i) Intelligent transportation systems;
- (j) Aviation meteorology;
- (k) Human Resources Development, including Seafarers training;
- (l) Search and Rescue;
- (m)Transportation Security; and
- (n) Other fields of mutual interest.

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FORMS OF COOPERATION

Cooperation under this Memorandum may be pursued jointly through one of the following methods:

- (a) Meetings, as may be required;
- (b) Exchange of experts, information, publications and study results on transportation subjects;
- (c) Organization of symposia and seminars;
- (d) Study of scientific and technical topics in transportation;
- (e) Training of scientific and technical personnel;
- (f) Technical Assistance; and
- (g) Coordination with government and non-government entities.

Article 4

IMPLEMENTATION

In order to coordinate the cooperative activities, each Participant may designate a representative to be responsible for ensuring effective communications for activities established under this Memorandum. The representatives of the Participants should consult with each other to ensure the effective functioning of agreed cooperative activities and other related matters.

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COOPERATIVE PROJECT PLANS

The representatives of the Participants should develop plans for specific cooperative projects and activities, which will cover the subject, procedures, and terms of cooperation to be undertaken, the entities involved, and other appropriate matters related to the conditions of such cooperation.

Article 6

CONSULTATION

The Participants should consult, as appropriate, on any matter that may arise from, or in connection with any area of cooperation pursuant to this Memorandum.

Article 7

DISCLAIMER

Each Participant should seek to ensure the accuracy of all data and information exchanged pursuant to this Memorandum, but the accuracy of such data and information is not guaranteed, and each Participant should use the other's data at its own risk.



FUNDING

Participation under this Memorandum is subject to the availability of funds of each Participant. No transfer of funds between the Participants is envisaged in connection with this Memorandum.

Article 9

DURATION

The activities under this Memorandum should commence on the date of signature below. Either Participant may end its cooperation under the present Memorandum at any time, but should attempt to provide 60 days prior written notification to the other Participants. However, the Participants should endeavor to complete, or continue, specific activities then underway, if they so choose.

For the Department of Transportation of the United States of America

Jeffrey N. Shane

Associate Deputy Secretary of Transportation

For the Department of Communications

of the Republic of Indonesia

Agum Gumelar

Minister of Communications

Lima, Peru May 7, 2002